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TO RUEHC/SECSTATE WASHDC 6401
INFO RUEHOO/CHINA POSTS COLLECTIVE
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UNCLAS SECTION 01 OF 02 BEIJING 002850

DEPARTMENT FOR INR/R/MR, EAP/CM, EAP/PA, EAP/PD, C
HQ PACOM FOR PUBLIC DIPLOMACY ADVISOR (J007)
SIPDIS

E.O. 12958: N/A

TAGS: PREL ECON KMDR OPRC CH

SUBJECT: MEDIA REACTION: OBAMA'S NOBEL PEACE PRIZE, U.S.-CHINA TRADE RELATIONS, ENVIRONMENT

Editorial Quotes

11. OBAMA'S NOBEL PEACE PRIZE

a. "Obama Wins Nobel Peace Prize and Shocks the World"

The official Communist Party international news publication Global Times (Huanyu Shibao)(10/10)(pg 1): "Jin Canrong, professor of the People's University of China, commented that giving the Prize to Obama is encouraging the U.S. not to return to unilateralism. What's more, the Prize could help Obama to consolidate his dropping credibility in the U.S., which would also be helpful for Europe. However, it is a risk and a gamble by the Nobel Committee. Obama must make real achievements within the next several years. However, the issues on which Obama is working, like denuclearization, the Middle East peace process and peace talks with North Korea, are all difficult issues and it is likely that Obama may have to take some kind of military action in resolving them in the next few years. The strong political nature of the Nobel Peace Prize is not easy to change, and this will produce more doubts for the Committee. Scholar Yuan Peng commented that the West likes to give the Prize to people who hold western values. For China, the biggest advantage of Obama being awarded is that Chinese dissidents did not have a chance to win the Prize. Otherwise the Prize will be devalued and in that way the Prize will destroy its own reputation."

b. "Obama Resists a Unipolar World"

Guangdong 21st Century Publishing Company Ltd.'s business newspaper, 21st Century Business Herald (21Shiji Jingji Baodao)(10/13)(pg 2): "Obama, as the leader of the largest unipolar power in the world, has more power and responsibility to create a friendly America than others and to rebuild the world order under the rule of democracy. Although Obama has taken limited actions to loosen U.S. hegemony over the current world political order, his sincerity and his actions to block the Eastern European missile defense plan, in addition to his plans to withdraw U.S. troops from Afghanistan have, at least, brought the hope of peace to the world which currently lies under the threat of American-style terrorism. The Bush administration turned the U.S. into the most terrible enemy of the people of the world. Thus Obama has a long way to go to turn the U.S. back into the world's friend. Lowering itself to become one of the world's citizens that abides by and does not go beyond world norms is just the first step for the U.S. The 2009 Nobel Peace Prize is more an expression of the hope of the people of the world that Obama and the United States can make contributions to the future world peace."

12. U.S.-CHINA TRADE RELATIONS

"The U.S. Swings a Trade Stick at the Chinese Glass Curtain Wall"

The official Communist Party international news publication Global Times (Huanyu Shibao)(10/12)(pg 11): "The U.S. media have indicated

that the frequent trade moves made by U.S. trade associations and unions against China will further intensify the already nervous U.S.-China trade relationship before Obama's visit to China. 'Made in the U.S.' organizations filed a suit with the U.S. Department of Commerce criticizing Chinese government provision of subsidies to Chinese glass curtain wall companies, claiming the subsidies have caused unequal competition. The AFP has commented that to avoid destroying the atmosphere for Obama's visit to China China has been acting with restraint since the recent tire protection case. However, the dark shadow over U.S.-China trade relations kept growing. The trade protectionism measures by the U.S., one after another, will lead bilateral frictions to become more dangerous."

13. ENVIRONMENT

"In Collecting Carbon Tariffs, He Who Strikes First Prevails"

The official Communist Party international news publication Global Times (Huanqiu Shibao)(10/13)(pg 15): "We can see that the U.S. is trying hard to disguise the negative impacts of carbon tariffs, and is determined to collect them. China should also act early and begin to collect carbon tariffs, in order to deal with the U.S. tariffs which will no doubt come in the 'low carbon era.' A low-carbon economy will be the future trend and the WTO will change its view to support the legalization of carbon tariffs despite the fact that carbon tariff are anti-trade nature and will cause trade discrimination. This means that newly-emerging countries like China will have no opportunities to seek remedies with the WTO. To deal with the situation, China could take the first initiative to collect carbon tariffs and give up its current model of gaining a trade surplus dependent on high energy consumption productions. By collecting carbon tariffs early, Chinese companies may be able to

BEIJING 00002850 002 OF 002

sooner find production model transformation and a decrease of energy consumption per unit, which would ultimately make the trade barriers of Western countries irrelevant. Furthermore, as the WTO rules do not allow double collection of tariffs, the collection of carbon tariffs by China would keep the tariff money within the country and help China gain more advantages in negotiations on emission reductions during the coming visit of Obama to China. The collection of carbon tariffs by China can also make those foreign companies who invest in China's high energy consumption industries to foot the bill for environmental impact and perhaps prevent irresponsible investors from entering those industries."

HUNTSMAN